



Senate Bill 85

AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND ESTABLISHING A SUPPLEMENTAL GRADUATE STUDENT LOAN PROGRAM

Testimony of the Department of Administrative Services

Finance, Revenue and Bonding Committee

March 11, 2026

Senator Fonfara, Representative Horn, Senator Fazio, Representative Polletta, and distinguished members of the Finance, Revenue and Bonding Committee. I am Michelle Gilman, Commissioner of the Department of Administrative Services (DAS). Thank you for the opportunity to submit testimony in favor of **Senate Bill 85: An Act Authorizing and Adjusting Bonds of the State and Establishing a Supplemental Graduate Student Loan Program.**

Section 2 of the bill proposes a new authorization of \$20 million to replace the current fleet garage in Wethersfield in FY 27. This is needed, as renovating the current facility to meet modern standards would not be cost-effective.

Section 16 increases the total authorization for the School Building Projects Grant Program by \$50 million, bringing the total authorization to \$600 million in FY 27. These additional funds are necessary to ensure reimbursement to school districts for priority and non-priority list school construction projects and to cover legislative notwithstanding clauses.

By way of background, under Chapter 173 of the Connecticut General Statutes (Public School Building Projects), the State of Connecticut provides grants to local and regional school districts and other Local Education Agencies (LEAs) to reimburse a percentage of eligible expenses for authorized school building projects using a statutory formula based on the adjusted equalized net grand list per capita. Grant funds are distributed as progress and final payments to reimburse eligible expenses a district incurs during the course of a project. Thus, the grant program operates on a cash-flow basis, with the State Bond Commission allocating funds as needed to cover grant payments.

Section 22 increases the total authorization for a new data center by \$32 million, bringing the total authorization to \$48 million. The State of CT operates two primary data centers physical locations (Groton, Springfield), as well as in the cloud. Neither of the two physical locations are owned by the state; we are tenants in a facility owned by third parties. The lease at the Groton Data Center is set to end, and the State has to be out of the property by January 2029. To

continue the cost-effective and efficient operation of technology in the state, we are pursuing a replacement computing facility. The additional \$32 million will be utilized to establish a new computing center within a co-location facility, establish equipment and networking in that location, and move state networks to that location.

The additional \$32 million is not an increase in what was originally identified for the total cost of this project. Instead, this would move the remaining planned funds into the current biennium rather than into the FY 28-29 budget. This will allow us to access the planned funds earlier, and allows the State the option to exit the current data center facility before the end of the lease.

Thank you for the opportunity to share our thoughts with the Committee, and we urge the Committee to pass Senate Bill 85.